

**Sylvia Fedoruk Canadian  
Centre for Nuclear  
Innovation Inc.**

Financial Statements  
**March 31, 2021**



## Independent auditor's report

To the Members of Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc. (the Corporation) as at March 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### What we have audited

The Corporation's financial statements comprise:

- the statement of financial position as at March 31, 2021;
- the statement of operations and unrestricted net assets for the year then ended;
- the schedule of expenditures for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Saskatoon, Saskatchewan  
May 26, 2021

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Statement of Financial Position

As at March 31, 2021

	2021 \$	2020 \$ (note 12)
<b>Assets</b>		
<b>Current assets</b>		
Cash held by University of Saskatchewan (note 8)	1,506,561	3,567,993
Accounts receivable	731,476	1,598,980
Prepaid expenses	18,731	16,275
	<u>2,256,768</u>	<u>5,183,248</u>
<b>Decommissioning funds held by University of Saskatchewan</b> (note 3)	125,000	100,000
<b>Tangible capital assets</b> (note 4)	5,375,277	5,192,497
<b>Asset retirement obligation</b> (note 5)	<u>735,977</u>	<u>682,257</u>
	<u>8,493,022</u>	<u>11,158,002</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	198,726	80,246
<b>Accrued decommissioning costs</b> (note 5)	898,300	810,712
<b>Deferred contributions – operating</b> (note 6(a))	4,577,194	6,929,502
<b>Deferred contributions – capital</b> (note 6(b))	<u>2,693,802</u>	<u>3,237,542</u>
	8,368,022	11,058,002
<b>Net assets</b>		
<b>Internally restricted net assets</b> (note 3)	<u>125,000</u>	<u>100,000</u>
	<u>8,493,022</u>	<u>11,158,002</u>

**Economic dependence** (note 1)

**Operating lease** (note 7)

**Commitments** (note 10)

**Approved by the Board of Directors**



Director



Director

The accompanying notes are an integral part of these financial statements.

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Statement of Operations and Unrestricted Net Assets

For the year ended March 31, 2021

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	2021 \$	2020 \$ (note 12)
<b>Revenue</b>		
Innovation Saskatchewan operating grant – restricted (notes 6(a) and 9)	4,852,308	3,547,847
Radioisotope product sales	874,752	1,214,780
Capital grants – restricted (note 6(b))	548,529	249,118
Consultation	293,370	-
Fee for services	122,777	111,446
University of Saskatchewan grant (notes 8 and 10)	25,000	25,000
Interest income (note 8)	3,324	87,573
	<hr/> 6,720,060	<hr/> 5,235,764
<b>Expenditures</b> (schedule)		
Cyclotron (notes 8 and 10(c))	3,722,427	3,233,460
Grants (notes 8 and 10)	1,637,991	974,779
Core office (note 8)	1,334,642	1,002,525
	<hr/> 6,695,060	<hr/> 5,210,764
<b>Excess of revenue over expenditures</b>	25,000	25,000
<b>Unrestricted net assets – Beginning of year</b>	-	-
<b>Transfer to internally restricted net assets</b> (note 3)	<hr/> (25,000)	<hr/> (25,000)
<b>Unrestricted net assets – End of year</b>	<hr/> -	<hr/> -

The accompanying notes are an integral part of these financial statements.

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Schedule of Expenditures

For the year ended March 31, 2021

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	2021	2020
	\$	\$
<b>Expenditures</b>		
Cyclotron (note 10(c))		
Salaries and benefits	1,066,084	1,019,220
Amortization of tangible capital assets	1,144,164	705,470
Supplies and services	951,144	835,367
Operating license (note 8)	414,955	486,378
Externally contracted services and consultants	104,598	99,327
Amortization of asset retirement obligation (note 5)	18,951	16,961
Accretion of accrued decommissioning costs (note 5)	14,917	15,396
Travel	7,614	55,341
	<hr/> 3,722,427	<hr/> 3,233,460
Grants (notes 8 and 10)		
Program grants	881,295	570,000
Project grants	756,696	404,779
	<hr/> 1,637,991	<hr/> 974,779
Core office		
Salaries and benefits	660,089	490,624
Supplies and services	574,934	336,638
Externally contracted services and consultants	46,090	26,107
Rent and occupancy (note 7)	44,106	45,792
Travel	5,334	100,786
Amortization of tangible capital assets	4,089	2,578
	<hr/> 1,334,642	<hr/> 1,002,525
	<hr/> <b>6,695,060</b>	<hr/> <b>5,210,764</b>

The accompanying notes are an integral part of these financial statements.

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Statement of Cash Flows

For the year ended March 31, 2021

	2021 \$	2020 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures for the year	25,000	25,000
Items not affecting cash		
Amortization of tangible capital assets	1,148,253	708,048
Accretion of accrued decommissioning costs (note 5)	14,917	15,396
Amortization of asset retirement obligation (note 5)	18,951	16,961
Recognition of deferred contributions related to capital	(548,529)	(249,118)
	<u>658,592</u>	<u>516,287</u>
Changes in non-cash working capital items		
Cash held by University of Saskatchewan	2,036,432	2,690,218
Accounts receivable	867,504	580,563
Prepaid expenses	(2,456)	(16,275)
Accounts payable and accrued liabilities	118,481	(95,016)
Deferred contributions – operating	(2,352,308)	(1,947,847)
	<u>667,653</u>	<u>1,211,643</u>
	1,326,245	1,727,930
<b>Investing activities</b>		
Purchase of tangible capital assets	(1,331,036)	(2,831,228)
<b>Financing activities</b>		
Restricted contributions used to purchase tangible capital assets	4,791	1,103,298
<b>Change in cash during the year</b>	-	-
<b>Cash – Beginning of year</b>	-	-
<b>Cash – End of year</b>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.



# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

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### 1 Nature of business

Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc. (the Corporation or Fedoruk Centre) was originally incorporated as a non-profit organization under the Canadian Not-for-Profit Corporations Act on December 20, 2011 as the Canadian Centre for Nuclear Innovation Inc., with its parent company and sole member being the University of Saskatchewan (U of S). On October 5, 2012, the Corporation was registered with Corporations Canada as Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc. The Corporation qualifies as a tax exempt organization under the Income Tax Act (Canada).

The mandate of the Fedoruk Centre is to place Saskatchewan among global leaders in nuclear research, development and training through investments in partnerships with academia and industry, for maximum societal and economic benefit. This purpose is accomplished through investment in projects and programs of Saskatchewan-based, publicly funded institutions and their partners and through operating the Saskatchewan Centre for Cyclotron Sciences (SCCS), which is owned by the U of S, for research and clinical applications. The Fedoruk Centre began the regulatory commissioning of the cyclotron and radioisotope production facility in October of 2014 and achieved operational status in May of 2016.

The operation of the Corporation is economically dependent on the funding from Innovation Saskatchewan (note 9).

### 2 Summary of significant accounting policies

#### Basis of presentation

These financial statements include the accounts of the Corporation and are presented in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditures during the reporting period. Actual results could differ from these estimates. Significant financial statement items that require estimates include the asset retirement obligation and accrued decommissioning costs.

#### Tangible capital assets

Tangible capital assets are recorded at cost and amortized over their expected useful lives. Computer equipment and software is amortized using the declining balance method at a rate of 30%. Furnishings and equipment are amortized using the straight-line method at a rate of 20%. SCCS leasehold improvements are amortized over a 20-year period based on the term of the operating agreement (note 10(c)).

# **Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.**

## Notes to Financial Statements

March 31, 2021

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### **Revenue recognition and grant expenditures**

The Corporation follows the deferral method of accounting for contributions, which includes funding from Innovation Saskatchewan and other funding sources. Deferred contributions related to expenses of future periods represent unspent externally restricted funding and any related investment income, which are for the purposes of providing funding to eligible recipients and the payment of operating and capital expenditures in future periods. Restricted contributions related to tangible capital assets are recognized as revenue on the same basis as the tangible capital assets are amortized. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from the sale of radioisotope products of the cyclotron is recognized when significant risks and rewards of ownership have been transferred to the purchaser and reasonable assurance exists regarding the measurement of the consideration that will be derived from the sale of the product.

Investment income earned on the cash held by University of Saskatchewan is recognized as revenue when the U of S can measure and transfer the income to the Corporation.

Contributions of materials and services are recognized only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Corporation's operations and would otherwise have been purchased.

Grants are recognized as expenditures when the current year grant commitment to the recipient is due under the terms of the grant agreement.

### **Financial instruments**

Financial assets and financial liabilities consisting of cash held by University of Saskatchewan, accounts receivable and accounts payable and accrued liabilities are initially recognized at fair value and subsequent measurement is at amortized cost. The Corporation does not consider itself to have significant exposure to credit risk, currency risk, interest rate risk, liquidity risk, market risk or other price risk. Financial assets are tested for impairment at the end of each reporting period when there are indications that an asset may be impaired.

### **Decommissioning and asset retirement obligation**

During the year ended March 31, 2017, the cyclotron received its Canadian Nuclear Safety Commission (CNSC) operating license. The Corporation is required to decommission the currently licensed prescribed equipment, facility and nuclear substances when operations cease and has accounted for the estimated costs associated with this requirement.

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

### 3 Internally restricted net assets

As provided for under the Corporation's policy for funding the cyclotron decommissioning liability, the Corporation allocates \$25,000 annually from unrestricted net assets to internally restricted net assets to fund future decommissioning costs.

### 4 Tangible capital assets

			2021	2020
	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
Equipment	5,467,417	1,896,497	3,570,920	3,684,845
SCCS leasehold improvements	1,771,084	129,932	1,641,152	1,375,116
Computer equipment and software	322,364	177,140	145,224	132,536
Furnishings	41,902	23,921	17,981	-
	<u>7,602,767</u>	<u>2,227,490</u>	<u>5,375,277</u>	<u>5,192,497</u>

### 5 Asset retirement obligation and accrued decommissioning costs

As a component of its Class II Nuclear Facilities and Prescribed Equipment License from the CNSC, the Corporation recognizes the asset retirement obligation related to the expected future cost of decommissioning the currently licensed prescribed equipment, facility and nuclear substances. The asset retirement obligation will be amortized on a straight-line basis over the expected remaining useful life. The Corporation expects the facility to operate for a 40-year period, which commenced during the year ended March 31, 2017.

The estimated undiscounted future cash flows required to decommission the facility are expected to be approximately \$1,132,000 (2020 – \$1,132,000). Accretion of \$14,917 (2020 – \$15,396) and amortization of \$18,951 (2020 – \$16,961) are included in decommissioning expense for the year ended March 31, 2021. The present value of the asset retirement obligation and the liability for accrued decommissioning costs has been calculated using a credit adjusted risk-free interest rate of 1.47% (2020 – 1.84%) and an inflation rate estimate of 0.8% (2020 – 0.9%).

			2021	2020
	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
Asset retirement obligation	817,809	81,832	735,977	682,257

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

A reconciliation of the accrued decommissioning costs is as follows:

	2021 \$	2020 \$
Opening accrued decommissioning costs	810,712	723,668
Estimate of decommissioning costs	72,671	71,648
Accretion expense	14,917	15,396
	<hr/>	<hr/>
Closing accrued decommissioning costs	898,300	810,712

## 6 Deferred contributions

- a) The Corporation receives funding from Innovation Saskatchewan to be held, administered and distributed in accordance with the funding agreement. Deferred contributions related to expenses of future periods represent the unspent externally restricted funding, which is for the purpose of providing funding to eligible recipients and the payment of operating and capital expenditures in future periods. The changes in the deferred contributions balance are as follows:

	2021 \$	2020 \$
Opening deferred contributions – operating	6,929,502	8,877,349
Contributions during the year		
Innovation Saskatchewan (note 9)	2,500,000	1,600,000
	<hr/>	<hr/>
Total contributions available	9,429,502	10,477,349
Less: Amount recognized as revenue	4,852,308	3,547,847
	<hr/>	<hr/>
Closing deferred contributions – operating	4,577,194	6,929,502

- b) The Corporation receives funding from Western Economic Diversification Canada and Innovation Saskatchewan for capital expenditures, including those related to establishing the Innovation Wing at the cyclotron facility. This funding will be recognized as revenue in the year that the related amortization of the equipment is recorded. The changes in the deferred contributions balance are as follows:

	2021 \$	2020 \$
Opening deferred contributions – capital	3,237,542	2,383,362
Contributions during the year		
Innovation Saskatchewan (note 9)	4,789	900,000
Western Economic Diversification Canada	-	203,298
	<hr/>	<hr/>
Total contributions available	3,242,331	3,486,660
Less: Amount recognized as revenue	548,529	249,118
	<hr/>	<hr/>
Closing deferred contributions – capital	2,693,802	3,237,542

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

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### 7 Operating lease

On April 1, 2019, the Corporation renewed their lease agreement for office space. The term of the lease agreement is five years. The future minimum annual lease payments are \$20,430 per year until April 1, 2021; \$22,459 per year from April 1, 2021 to March 31, 2023; and \$24,632 per year from April 1, 2023 until the expiry of the lease agreement on March 31, 2024.

### 8 Related party transactions

During the year, the Corporation entered into transactions with its parent company and sole member, the U of S. The Corporation purchased goods and services from the U of S in the amount of \$159,026 (2020 – \$113,222) and incurred operating license costs for the cyclotron of \$414,955 (2020 – \$486,378).

Interest income of \$3,324 (2020 – \$87,573) was received from the U of S based on the Corporation's funds held in bank accounts administered by the U of S. The Corporation received \$25,000 (2020 – \$25,000) in grants during the year from the U of S. Of the grants made during the year by the Corporation, \$1,825,215 (2020 – \$823,104) were made to the U of S, including individuals or entities related to or employed by the U of S.

The related party transactions described above are measured at carrying amounts. All funds received by the Corporation are held in, and payments to vendors of the Corporation are made from, bank accounts administered by the U of S, which are included on the statement of financial position as cash held by University of Saskatchewan.

### 9 Innovation Saskatchewan grant

#### New funding agreement (2019)

The Fedoruk Centre signed a funding agreement with Innovation Saskatchewan effective April 1, 2019 for a total of \$11.6 million, with a subsequent amendment to add \$900,000 to the total contribution of funds during the year ended March 31, 2020. The funds are to be disbursed beginning July 31, 2019 and concluding January 31, 2024, with the agreement then expiring on March 31, 2024. The agreement stipulates that any unused funds must be returned to the funder within 60 days of the completion of the project. The agreement further stipulates that in the event that the Fedoruk Centre does not comply with its obligations under the agreement or the agreement is terminated, all funds paid under the agreement shall be returned within 30 days of demand. The funder may waive repayment in an amount not exceeding actual and reasonable project expenses paid.

#### Original funding agreement (2012)

The Fedoruk Centre signed a funding agreement with Innovation Saskatchewan on March 2, 2012 for a total of \$30 million to be disbursed over seven years, from January 2, 2012 to March 31, 2019. Funds are to be used solely for the purposes of the project as defined in the agreement. The agreement defines that all funds must be returned to the funder if there is non-compliance or the agreement is terminated by the funder, and at the application of the Fedoruk Centre the funder may elect to limit repayment in amount not exceeding actual and reasonable project expenses paid by the Fedoruk Centre.

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

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The funding agreement with Innovation Saskatchewan was subsequently amended to allow the Fedoruk Centre to redirect up to \$6.3 million of the original \$30 million to assist the U of S with cash flow for the cyclotron capital project. If capital costs for the cyclotron are less than \$6.3 million, any remaining amount will be returned to the Fedoruk Centre's operating budget. The amendment also provides for \$1 million per year for three years, in addition to the original \$30 million, for cyclotron facility operating costs and \$800,000 for the purchase of scientific equipment and renovations to research facilities.

A final payment of \$1,090,000 was received during the year ended March 31, 2019.

### 10 Commitments

#### a) Project grants

The Fedoruk Centre provides grants to eligible individuals and their institutions for the purpose of nuclear research, development and training. Project grant awards are funded over multiple years. The total maximum commitment made during the year ended March 31, 2021 was approximately \$500,000 (2020 – \$1,100,000). Project grants disbursed during the year ended March 31, 2021 were \$943,920 (2020 – \$404,779). During the year, project grants previously disbursed of \$187,224 were reimbursed to the Fedoruk Centre due to the funded projects being underbudget.

The remaining maximum commitment on all projects is \$998,863 (2020 – \$1,630,216).

	\$
2022	655,364
2023	257,956
2024	85,543

#### b) Program grants

During the year ended March 31, 2018, a program grant agreement was signed between the Fedoruk Centre and the Johnson-Shoyama Graduate School of Public Policy under which the Fedoruk Centre will fund research, scholarship, policy outreach and public engagement related to nuclear science and technology. The agreement was subsequently amended during the year ended March 31, 2020, to extend the agreement until June 30, 2021. The Fedoruk Centre's total maximum commitment is \$2,070,000, payable in annual instalments up to June 30, 2021, of which \$2,030,000 of grant expenditures had been incurred as of March 31, 2021 (2020 – \$1,500,000).

During the year ended March 31, 2016, a program grant agreement was signed between the Fedoruk Centre, the University of Regina and the U of S under which the Fedoruk Centre will fund three research chairs for five years, beginning in 2015 and ending June 30, 2020, and will fund ancillary support to accelerate innovation in nuclear imaging tools and techniques and to advance research, development and training in nuclear medicine. The Fedoruk Centre's final total maximum commitment is \$5,225,015 (adjusted from \$5,466,264) over the term of the agreement, of which \$5,225,015 of grant expenditures had been incurred as of March 31, 2021 (2020 – \$4,966,444).

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

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During the year ended March 31, 2021, a program grant agreement was signed between the Fedoruk Centre and the U of S under which the Fedoruk Centre will share the costs associated with bridging the current position of Fedoruk Chair in Radiopharmacy into a faculty position at the U of S. The Fedoruk Centre's total maximum commitment is \$370,896, payable in equal annual instalments beginning in 2020 and ending June 30, 2024, of which \$92,724 of grant expenditures had been incurred as of March 31, 2021.

Total program grants disbursed during the year ended March 31, 2021 were \$881,295 (2020 – \$570,000).

The total remaining maximum commitment for program grants is as follows:

	\$
2022	132,724
2023	92,724
2024	92,724

### c) Cyclotron

The Fedoruk Centre has an operating license agreement with the U of S for the cyclotron facility. The term of the agreement extends to the date that is the earlier of: a) six months following the date that the license to operate granted to the Fedoruk Centre by the CNSC, including renewal terms, expires; or b) 20 years from June 2015; or c) the date that substantial destruction of the cyclotron facility occurs and rebuilding has not commenced within six months of such date and diligently prosecuted to completion.

Notwithstanding the defined term, the operating license agreement will expire upon the expiration of the useful life of the cyclotron (40 years). The agreement calls for the Fedoruk Centre to be responsible for the operation, maintenance and eventual decommissioning of the cyclotron facility. During the term of the license agreement, an annual license fee of \$520,000 will be paid to the U of S by the Fedoruk Centre. This annual license fee is adjusted to the actual services provided annually and the actual amount of the operating license for the year ended March 31, 2021 was \$414,955 (2020 – \$486,378).

During the year ended March 31, 2021, the Fedoruk Centre amended its agreement for the provision of cyclotron maintenance services. The term of the agreement is from February 1, 2021 to January 31, 2023 and the cost is \$125,000 per year.

During the year ended March 31, 2018, the Fedoruk Centre entered into a service agreement for the provision of lab equipment. The term of the agreement is from August 30, 2017 to August 31, 2022. The minimum future commitment under the agreement is \$35,270.

## 11 Covid-19 pandemic

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus disease (COVID-19) a global pandemic, resulting in significant public health measures and restrictions put in place. Restrictions such as travel bans, closure of non-essential businesses and physical distancing have caused

# Sylvia Fedoruk Canadian Centre for Nuclear Innovation Inc.

## Notes to Financial Statements

March 31, 2021

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disruptions to businesses and a significant decline in global capital markets, resulting in an economic slowdown.

Management has assessed the financial impact of COVID-19 as at March 31, 2021, including the collectibility of receivables, assessment of provisions and contingent liabilities, timing of revenue recognition and impact on funding arrangements. Management did not identify any impact to its financial statements as at March 31, 2021.

The long-term impact of the pandemic on the Corporation and the economy is not yet known and information surrounding the global economic impact of COVID-19 and the estimated length of the pandemic continues to evolve. Future impacts of the pandemic may have a financial effect on the Corporation's future revenues and operating results. It is not possible to estimate any results of future financial impacts of COVID-19 on the Corporation subsequent to March 31, 2021.

### **12 Comparative figures**

Certain comparative figures have been reclassified to conform with the presentation adopted as at and for the year ended March 31, 2021. Deferred contributions – operating as previously reported as at March 31, 2020 were \$7,155,432 and are now reported as \$6,929,502. Deferred contributions – capital as previously reported as at March 31, 2020 were \$3,011,612 and are now reported as \$3,237,542. Restricted operating grants as previously reported for the year ended March 31, 2020 were \$3,459,927 and are now reported as \$3,547,847. Restricted capital grants as previously reported for the year ended March 31, 2020 were \$337,038 and are now reported as \$249,118.